

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

Spotlight ON FOREIGN MARKETING



280.39
F765
p2
TO U.S. AGRICULTURAL ATTACHES AND FAS STAFF MEMBERS

Vol. 1, No. 10

July 26, 1957

MEXICO TO BUY \$5 MILLION MORE U. S. CATTLE. The Export-Import Bank approved a second \$5 million loan for Mexico to buy additional beef and dairy cattle from the U. S. The first loan went into effect last October and purchases were made in record time.

In its announcement, the Ex-Im Bank states that the loan is expected to have a decisive influence in establishing the quality of cattle imported from the U. S. above stock obtained previously. They predicted that the Mexican market would be permanently opened to U. S. cattlemen and their sales of stock could amount to several million dollars yearly.

The beef cattle problem in Mexico is one of quality, not of quantity. Only a small percentage of the 35 million head now in existence are of improved breeds. The problem is even greater in the case of dairy cattle.

"One of the immediate dividends that was witnessed upon the announcement of this loan was the strengthening of the cattle market throughout the United States," Samuel C. Waugh, President of the Ex-Im Bank, declared.

Mr. Waugh's statement is born out by the fact that 1,000 head of cattle were privately bought as a result of the first loan. The buyers were not clients of the Mexican bank figuring in that transaction.

The demand for dairy cattle, which could not be satisfied by the first loan, reaches at present 8,000 head.

AMERICAN-EGYPTIAN COTTON RELEASED FROM STOCKPILE. The President recently signed a resolution releasing 50,000 bales of American-Egyptian (extra long-staple) cotton from the national stockpile. No adverse effect on world markets is expected. There will be no price advantage for export sales. Details sent to attaches through other media.

FOREIGN COUNTRIES SHARE IN AGRICULTURAL EXPORT/PEAK. Claims that the U. S. has disrupted trade through P.L. 480 and other government programs are not true. 1956 estimates of exports of principal agricultural commodities by foreign countries are the highest on record, just as ours are.

In the fiscal year ending June 30, 1957, U. S. agricultural exports reached \$4.7 billion, an all-time record. Exports by foreign countries of 52 of these major commodities had a value of \$16.6 billion in the 1956 marketing year. In real dollars (calculated to eliminate price changes) the value of these exports was \$16.1 billion in 1956, \$15.5 billion in 1954, and \$15.0 billion in 1953. Thus foreign exports increased in 1956 at the same rate as in the previous two years, despite the jump in U. S. exports. For details see FAS Circular FATP 17-57 (7/15/57).

SUMMARY OF C.C.C. SALES FOR EXPORT - JULY 15 - 19, 1957.

Barley. Sales of barley continued substantial. Over 28,000 long tons being sold on the West Coast and 250,000 bushels f.o.b. Northwest ports.

Rice. First sale of rice under the recently announced milled rice export program accounted for 5,000 bags. Interest was large but bids for additional quantities were rejected as too low.

Peanuts. Peanuts continued to sell well, 1,418 tons having been sold for export.

Beans. The market continued active in dry edible beans. Sales out of the West Coast were as follows: Large limas 6,000 bags, small reds 7,729 bags, red kidney 5,100 bags and 28,496 bags of baby limas.

Cotton. Approximately 12,000 bales of cotton linters were sold this week. This sale reduces CCC's inventory to about 8,500 bales. The Department had announced previously that it would attempt to sell between 10,000 - 12,000 bales every other week in the hope of disposing of its entire inventory before new crop year (August 1). With one more sale scheduled this month, the Department expects to attain this goal.

Corn. Corn sales totaled 2,051,000 bushels, all Number 2 corn. Sales were made at Atlantic and Gulf ports. No sales were made on the Pacific Coast. While buying interest was shown, bids were rejected as being too low.

TRADE FAIRS SCHEDULED FOR EUROPE. FAS, under cooperative arrangements with the Department of Commerce, will provide market promotion exhibits at a group of international trade fairs in eastern Europe this fall.

At Zagreb, Yugoslavia, September 7-22, the agricultural exhibit will be a supermarket patterned after the FAS-sponsored supermarket exhibit in Rome last year. It will be housed in a new permanent exhibit building jointly financed by the U. S. Departments of Agriculture and Commerce.

At Salonika, Greece, FAS will assist with the agricultural exhibit arranged by the American Farm School. Livestock feed concentrates and feed grains will be stressed. The dates are September 1-22.

At Izmir, Turkey, August 20-September 20, there will be a dairy exhibit, with limited sampling of recombined milk and ice cream.

MORE U. S. CATTLE FOR VENEZUELA. The Minister of Agriculture announced that 2,000 head of beef cattle will be bought from the U. S. before the end of this year. The cattle are for upgrading existing herds. This is additional evidence that Venezuela looks to the U. S. as its principal source of livestock breed improvement.

U. S. HOGS SOLD TO VENEZUELA. Over 200 purebred hogs have been sold to the Government of Venezuela as part of the Ministry of Agriculture's hog industry development program. The hogs are of the Hampshire, Duroc-Jersey and Poland-China Breeds. Shipment was made via air to Ciudad Bolivar. The hogs will be sold at cost to interested buyers.

NOTE: As an additional service to Agricultural Attaches, a new table on CCC Prices For Export has been included on page 4. Some commodities which appeared in the old listing now are included in the export group.

GOLD AND DOLLAR HOLDINGS OF OUR FOREIGN BUYERS. Total public and private gold and dollar assets of foreign countries (excluding U.S.S.R. and Red China) have decreased \$138 million during the first quarter of 1957. Total foreign holdings are now \$29.2 billion. This is the first quarterly decline since the scare buying episode of the Korean conflict during 1952. The cause of the decrease, generally, was the aftermath of the Suez crisis, a continued, unabated economic boom (accompanied by an intense demand for goods and raw materials), and increased inflationary pressures in many countries. In the case of West Germany, the increase of gold and dollar holdings is the result of a continued large trade surplus; and the case of Canada, a continued large inflow of private capital.

The following 14 countries hold an excess of 500 million dollars as of March 31, 1957:

	March 31, 1957	Increase since Dec. 31, 1956
	(Millions U. S. Dollars)	
Germany	3,533	192
United Kingdom	3,100	90
Canada	3,043	47
Brazil	557	6
Cuba	520	6
Portugal	628	0
		Decrease since Dec. 31, 1956
France	1,311	230
Japan	1,040	131
Switzerland	2,548	98
Italy	1,218	72
Belgium-Luxembourg	1,180	56
Netherlands	1,034	46
Mexico	580	24
Venezuela	1,045	16

Increase or decrease of principal countries with holdings less than 500 million dollars.

	March 31, 1957	Increase or Decrease
Colombia	269	+58 Mil.
Argentina	332	-28 "
Indonesia	188	-43 "
Philippine Islands	273	-27 "

Complete details on world gold and dollar holdings will be published in a circular after August 1.

SOYBEAN EXPORTS. Until June 28 soybean exports ran about 69 million bushels this year, compared with 59 bushels during the same period last year.

Issued by FAS, USDA, Washington 25, D. C. Distributed only to U. S. Agricultural Attaches and in the Department for internal use.

TABLE I, GUIDE TO COMMERCIAL SALES

Commodity	Unit	Grade, Type or Variety	Location	Latest Price week of 7/19/57	Price Year Earlier
Wheat	Bushel	#2 H. W.	Galveston	\$2.33-2.44	\$2.34-2.42
"	"	#1 S. W.	Portland	2.31	2.09-2.11
"	"	#2 S. R. W.	Baltimore	2.32	2.35
Grain Sorghum	100#	#2 Yellow Milo	Ft. Worth	2.13-2.18	2.55-2.60
Beans	"	#1 Gr. Northern	Idaho Points	6.80-6.90	6.70-6.80
Cottonseed Oil	Pound	B.P.S.Y.	Sept. Fut. N. Y.	.1597	.1541
Soybean Oil	Pound	Refined	New York	.1462	.1562
Cottonseed Oil	"	Crude	Valley	.1375	.1325
Soybean Oil	"	Crude	Decatur, Ill.	.12-.1212	.1270
Linseed Oil	"	Raw	Minneapolis	.1270	.1320
Soybeans	Bushel	#1	Chicago	2.55	2.68
Lard	Pound	Refined 50# tin	Chicago	.1525	.12125
Tallow	"	Prime Inedible	Chicago-FOB	.0750	.0625
Greases	"	Choice White	" "	.0950	.0725
Cottonseed Meal	Sh. Tn.	41% Bagged	Memphis	53.75	57.00
Soybean Meal	Sh. Tn.	44% Bagged	Decatur	51.50	59.00
Milk, Evap.	Case	48-14 1/2 oz.	Pac. Cst. Mkts	5.95-6.45	5.80-6.30
Eggs, Shell	Doz. Med.	Mixed colors	New York	.33-.34	.37-.38
" Dried	Pound	Whole	New York	.97-1.03	1.12-1.24
Beef Trimmings	"	75-85% lean froz.	Chicago	.3125	.1950
Beef Hearts	"	Regular Frozen	"	.2100	.1100
Beef Livers	"	" "	"	.2150	.1450
Pork Trimmings	"	" "	"	.2400	.1175
Chicken	"	Gr. A Hen, R.C.	New York	.31-.32	.3850-.4050
Turkey	"	Gr. A Tom, R.C.	New York	.34-.35	.42-.6050
Canned Apricots	Doz. #2-1/2	Choice Halves	FOB-Calif.	3.00	3.15
" Peaches	Doz. #2-1/2	" "	" "	2.75-2.85	2.825-2.875
" Pears	Doz. #2-1/2	" "	" "	3.50	3.40-3.50
Grapefruit Secs.	Doz. # 303	Fancy, Li. syrup	FOB-Florida	1.60	1.575
Orange Juice	Doz. 46 oz	Sweetened	" "	2.15	2.85
Oranges, Fresh	Std. Ctn.	Size 144	FOB-Calif.	1.81	
Lemons, Fresh	" "		FOB-Calif.	2.65	3.80
Raisins	Lb. Bulk	Natl. Thompson	FAS-Calif.	.1275-.13	.12
Prunes	Pound	80-90	" "	.10-.11	.125

TABLE II, C.C.C. PORT PRICES FOR EXPORT

Commodity	Unit	Grade, Type or Variety	Port Location	Latest Prices	Date of Sales 1957
Cotton	Pound	Upland	Any U. S. Port	\$.2775	July 10
Rice	Cwt.	Milled	F.A.S. Gulf	6.51	July 15
Barley	Bushel	No. 2 2-row or 2-row W. Barley	N. W. Ports	.91-3/8-.97-3/8	June
Corn	Bushel	No. 2 Yellow	No. Atlantic & Gulf	1.32-3/4-1.38-1/2	June and July
Oats	Bushel	No. 3 H. White & No. 3 Red	No. Atlantic & Gulf	.49-5/8-.54-1/8	June and July
Flaxseed	Bushel	No. 1	Duluth	2.45 - 2.62	July 15
Butter	Pound	Grade A	Any U. S. Port	.39 (fixed)	July
Milk, NFDS	Pound	Spray	Any U. S. Port	.099 (fixed)	July
Rye	Bushel	No. 2	No. Atlantic & N. W. Ports	1.09-1/2-1.18-1/4	June and July
Wool	Pound	1/2 Blood Staple & French	Boston	1.52	June
Tobacco	Pound	1947-50 Crop Fire & Air Cured	At warehouse	.10 - .25 (bid price)	June

INSPECTING CARGO WHEAT FOR PROTEIN

Interest has been shown in the certification of export wheat for protein content, such certification to be made by the Grain Division, AMS. The following is issued in answer to inquiries received from interested parties and agencies regarding the availability of this service.

Protein content is a factor of quality in wheat. It is not a part of the official grain standards of the United States for wheat. Protein analyses currently are made by State and commercial laboratories. The Grain Division, Agricultural Marketing Service, United States Department of Agriculture also is authorized to make these analyses upon request of interested parties. This action is included in the many services covered by Regulations (7 CFR, Part 68) under the Agricultural Marketing Act of 1946.

The service has not been formally organized but will be rendered on cargo wheat upon request of interested parties, under the following procedures:

Procedure A.

1. The Grain Inspection Supervisor will obtain from the licensed grain inspector a portion of the composite sample used by such inspector in grading a cargo of wheat or an identified part of such cargo.
2. The supervisor will submit the sample or samples to a Federal laboratory or to a State or commercial laboratory for protein analysis. The laboratory will be under the supervision of the Grain Division, AMS.
3. The results of the protein analysis, calculated to a 14.0% moisture basis, unless otherwise requested by the applicant, will be furnished by the laboratory to the supervisor.
4. A Federal certificate will be issued by the Grain Inspection Supervisor showing the identity and quality of the sample and the protein analysis, and a statement under remarks as follows:
 "Sample identified by licensed inspector as a portion of that used in the inspection and grading of the wheat as loaded aboard the (name of vessel)."
5. The certificate and the protein analysis will apply only to the sample described and the quantity of wheat in such sample.

Fees and Charges:

Fee--Protein and moisture test, per sample	\$ 4.75
Charges--Preparation of sample, minimum	6.00
Total per sample, minimum	<u>\$10.75</u>

Procedure B.

In lieu of the above, (Procedure A), an official sample may be drawn by or under the supervision of a Grain Inspection Supervisor and submitted to a Federal or federally supervised laboratory for protein analysis. The certificate then issued will cover the entire lot from which the sample is drawn and will identify the grain by the name of the vessel and stowage. Fees and charges for this type of service will include the fee for protein analysis at \$4.75 per sample, charges for sampling the lot at the rate of \$4.00 per hour, and travel or other expenses incurred, if any.

Each case will be reviewed and fees and charges reported upon request. Application for this service should be filed with the Director, Grain Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., preferably 48 hours before loading of the grain is expected to begin.

NOTE: This supplement was especially prepared by the Grain Division, Agricultural Marketing Service, for U. S. Agricultural Attaches; inquiries from foreign grain traders should be directed to that division.